

Bureau of Land Management, Interior

§ 3250.9

utilization facility to be furnished prior to commencement of any activity relating to plant operation.

[44 FR 20931, Apr. 4, 1979, as amended at 48 FR 17046, Apr. 20, 1983; 53 FR 17373, May 16, 1988]

§ 3250.6-3 Annual rental.

Rental at a rate to be determined by the authorized officer shall be paid annually, but said rental shall not be less than \$100 per acre or fraction thereof if the utilization facility is for electrical generation, or not less than \$10 per acre or fraction thereof if the utilization facility is for non-electrical purposes. The first year's rental shall be paid to the authorized officer before issuance of the license and thereafter the rental shall be payable annually on or before the anniversary date of the license. The license shall provide that, beginning with the tenth year, the rental for the lands embraced in the license shall be reassessed, excluding improvements due to development of the geothermal resources, at the discretion of the authorized officer upon notice to the licensee, but not more often than at 10 year intervals thereafter, except in extraordinary circumstances.

[44 FR 20391, Apr. 4, 1979, as amended at 48 FR 17046, Apr. 20, 1983; 53 FR 17373, May 16, 1988]

§ 3250.7 Bonds.

Bonds shall be either corporate surety bonds or personal bonds.

(a) *Surety bond.* The licensee of an electrical generating facility shall furnish and maintain a surety bond of not less than \$100,000, conditioned upon compliance with all the terms and conditions of the license. The licensee for a nonelectrical utilization facility may be required to furnish a surety bond in an amount specified by the authorized officer. The authorized officer may determine not to require a surety bond in circumstances where it is determined that the nonelectrical uses have a low potential for causing damage to the environment.

(b) *Personal bond.* In lieu of a surety bond, the licensee may submit a personal bond accompanied by cash in an amount equal to the dollar amount of the bond or negotiable securities of the United States having a market value

at the time of the deposit of not less than the required dollar amount of the bond.

(c) *Obligations under bond.* The licensee shall comply with all the terms and conditions of the license under this subpart and shall be:

(1) Liable for all damages to the lands or property of the United States caused by the licensee or his employees or contractors or employees of such contractors, and

(2) Indemnify the United States against any liability for damages or injury to life, person or property arising from the occupancy or use of the lands under license. Where a utilization facility license is granted under this subpart to a State or other governmental agency which does not have the authority to assume such liability with respect to damages caused by it to lands or property, such agency shall be responsible for repair or all such damages.

[44 FR 20391, Apr. 4, 1979, as amended at 48 FR 17046, Apr. 20, 1983]

§ 3250.8 Assignments and transfers.

(a) Any proposed transfers in whole or in part of any right, title or interest in the plant or facility licensed under this subpart shall be filed with the authorized officer. The application for transfer shall be accompanied by the same showing of qualifications of the transferee as is required of the applicant under this subpart, and shall be supported by a stipulation that the assignee shall comply with and be bound by all the terms and conditions of the license. No transfer shall be valid unless and until it is approved in writing by the authorized officer.

(b) An application for approval of an assignment or transfer made pursuant to this section shall be accompanied by a nonrefundable filing fee of \$50.

[44 FR 20391, Apr. 4, 1979, as amended at 53 FR 17373, May 16, 1988]

§ 3250.9 Relinquishment, expiration, or termination of license.

(a) A licensee may surrender a license by filing a written relinquishment in the proper BLM office. The relinquishment shall include a statement as to whether the land covered by the

license has been disturbed and, if so, whether it has been restored as prescribed by the terms and conditions of the license. The relinquishment shall not be accepted until the requirements for reclamation of the land have been met.

(b) A license issued under this part may be terminated by written order of the authorized officer for any violation of any applicable regulation or any license term or condition, after 30 days notice. However, the termination shall not take effect if within the 30 day notice period either (1) the violation is corrected or (2) the licensee has commenced in good faith to correct the violation and shall thereafter proceed diligently to correct the violation where the violation is such that it cannot be corrected within the notice period. If a request for appeal is filed within the 30 day notice period, then the licensee shall be entitled to a hearing on the claimed violation and the termination in accordance with part 4 of this title. In the event such appeal is timely filed, the period for commencement to correct such violation shall be extended to 30 days after a final decision is rendered if it is found that a violation exists.

(c) Upon the relinquishment, expiration, or termination of the license, the licensee shall, if directed by the authorized officer, remove all structures, machinery, and other equipment from the land covered by the license. Any structures, machinery, or equipment allowed to remain on the land shall become the property of the United States on the expiration of the period allowed for removal of same. Removal of such property shall be at the licensee's expense.

(d) The licensee shall, for a period of not more than six months, maintain any equipment and facilities needed, as determined by the authorized officer, for the protection of any wells from which production was being utilized by the licensee.

(e) Where land covered by a license has been disturbed, the licensee shall within one year following the relinquishment, expiration, or termination of a license issued under this part restore the land in accordance with the terms and conditions of the license.

Additional time may be granted by the authorized officer upon a showing of good cause by the licensee. The bond required by §3250.7 of this title shall not be released until the reclamation has been completed to the satisfaction of the authorized officer.

[44 FR 20391, Apr. 4, 1979, as amended at 53 FR 17373, May 16, 1988]

PART 3260—GEOTHERMAL RESOURCES OPERATIONS

NOTE 1: (a) The information collection requirement contained in §3262.4 is needed to document planned operations on geothermal leases. This information will be used to evaluate technical feasibility and environmental impacts of geothermal operations on Federal lands. The obligation to respond is mandatory. Clearance under 44 U.S.C. 3507 is not required by 44 U.S.C. 3506(c)(5).

(b) The information collection requirement contained in §3264.3 has been approved by the Office of Management and Budget under 44 U.S.C. 3507 and assigned clearance number 1004-0132. The information is being collected to document exploration expenditures for which diligence credit is desired. This information will be used to determine if expenditures qualify as diligent exploration under 43 U.S.C. 3203.5. The obligation to respond is required to obtain a benefit.

[47 FR 24130, June 3, 1982. Redesignated at 48 FR 44788, Sept. 30, 1983, and amended at 53 FR 17375, May 16, 1988]

NOTE 2: The information collection requirements contained in part 3260 have been approved by the Office of Management and Budget under 44 U.S.C. 3507 and assigned clearance number 1004-0132. The information is being collected to evaluate the technical feasibility and environmental impacts of geothermal operations on Federal lands. Clearance number 1004-0132 also covers information required by §3264.3 as is required to document exploration expenditures for which diligence credit is desired in accordance with §3203.5. A response is required to obtain a benefit.

[53 FR 17375, May 16, 1988]

NOTE 3: There are many leases and agreements currently in effect, and which will remain in effect, involving Federal geothermal resources leases which specifically refer to the United States Geological Survey, USGS, Minerals Management Service, MMS, or Conservation Division. These leases and agreements may also specifically refer to various officers such as Supervisor, Conservation